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PP RUEHMA RUEHPA  
DE RUEHUJA #0359 0571451  
ZNR UUUUU ZZH  
P 261451Z FEB 08  
FM AMEMBASSY ABUJA  
TO RUEHC/SECSTATE WASHDC PRIORITY 2163  
INFO RUEHOS/AMCONSUL LAGOS PRIORITY 8796  
RUEHZK/ECOWAS COLLECTIVE  
RUEATRS/DEPT OF TREASURY WASHDC  
RUCPDOG/DEPT OF COMMERCE WASHDC  
RHEBAAA/DEPT OF ENERGY WASHDC

UNCLAS ABUJA 000359

SIPDIS

SIPDIS

DEPT PASS TO OPIC-KGANDHI, USTR-AGAMA  
DEPT PASS TO EXIM-JRICHTER, TDA-EEBONG  
TREASURY FOR PETERS AND HALL  
DOE FOR CGAY AND GPERSON

E.O. 12958: N/A

TAGS: [EINV](#) [ECON](#) [NI](#)

SUBJECT: OPIC-SUPPORTED INVESTMENT FUNDS IN THE REGIONS: AFRICA  
DEBT FUND

REF: STATE 001478

¶1. The required capital to operate businesses and implement development programs that will create jobs and improve the livelihoods of the citizens is in short supply in Africa. Some African countries, Nigeria inclusive, are implementing economic reforms in order to achieve higher growth rates and attract much needed foreign capital. While Nigerian banks are flush due to recent over-subscribed capitalizations, the cost of capital is disproportionately high. If this OPIC fund could come in and provide a vehicle to absorb some low risk corporate paper, that could perhaps strengthen Nigeria's desire to develop capital markets and put some downward pressure on interest rates. Also, public financing at the sub-national level (states and municipalities) could benefit if the fund would get into those areas.

¶2. The Standard Bank Group has worldwide financial services experience, and in the Nigeria context provides cutting edge financial products to its customers. The Standard Bank Group recently acquired IBTC-Chartered Bank of Nigeria, the foremost investment bank in Nigeria.

¶3. Embassy Abuja encourages OPIC's support of the USD 300 million Africa Debt Fund, providing all the right groundwork is done.

SANDERS